EXHIBIT 1

Dockets.Justia.com

IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF CONNECTICUT
BRIDGEPORT DIVISION

----------------------------X

In re: Chapter 11

BRITESTARR HOMES, INC., Case No. 02-5081(AHWS)

Debtor.

Adversary Proceeding No. 03-05072

BRITESTARR HOMES, INC.,

Plaintiff,

v.

PIPER RUDNICK, LLP

Defendant.

----------------------------X

CERTIFIED COPY

DEPOSITION OF

MATTHEW BEATMAN

NEW YORK, NEW YORK

April 27, 2004

ATKINSON-BAKER, INC.
COURT REPORTERS
330 North Brand Boulevard, Suite 250
Glendale, California 91203
(818) 551-7300

REPORTED BY: ANTHONY ARMSTRONG
FILE NO.: 9E037DA

anyone else at the Piper law firm during the month of March, 2001 concerning the payments that were being authorized by Piper Rudnick to Mr. Norkin out of the Politestarr bank account, would that have been reflected first on your time records and then in this fee application?

A. Yes, sir.

Q. Does it surprise you to learn, by the way, that Mr. Langlois doesn't reflect on his time records any conversation with you in March of 2001 either?

A. Doesn't surprise me because I think that's consistent with my belief that I don't recall it and I am not sure that it happened.

Q. Alright, sir. In fact, the lawyers at Piper Rudnick don't reflect a conversation with you, Mr. Beatman, until December 18th, 2001, which would have been shortly after the filing of the complaint, the adversary proceeding in Mr. Norkin's bankruptcy?

A. That's my recollection of when we first have contact.

Q. Alright, sir. Now, do you recall in March 2002 a settlement meeting at the lawyer -- at the offices of Zeichner Ellman, attended by yourself, Mr. Langlois, Mr. Colucci, Mr. Hanchet, who is here in the room today, and

8:14:53 Mr. Hanchet's partner Mr. Krause?
18:14:56 A. Yes.
18:14:57 Q. Do you recall who called that meeting or asked for that meeting?
18:15:06 A. I think it may have been a combination of Mr. Hanchet, Mr. Miltenberger and myself where we talked about whether or not there was a prospect of settlement, and while it would be difficult, that it probably made some sense to do it just among the lawyers. And I believe I would have said that I think in order to do that if I was Britestarr, you would need to have Britestarr's attorneys because I would say I couldn't speak on behalf of Britestarr or settle anything on behalf of Britestarr, so they need no participate.
18:15:37 Q. In that meeting?
18:15:40 A. And I might also add. I think it was Mr. Hanchet who suggested that was a good idea and suggested we use his office to initiate that.
18:15:50 Q. In that meeting, how would you characterize the positions taken by the lawyers for Britestarr Homes, Mr. Langlois, and Mr. Colucci?
18:16:04 A. I am not sure what you mean by that.
18:16:06 Q. Were they receptive to trying to discuss settlement, were they more aggressive, were they opposed

to settlement, were they combative? You characterize it based on your recollection.

A. I mean I think we were all there to try to settle, so I don't know that they ever -- I would characterize it as being resistive. I think we were all interested in trying to settle. I think they were perhaps a little pessimistic, but I think we were all there to try to settle the case. I am not sure I interpret their being there as that they didn't want to try to resolve it, but I think they were reserved about whether or not we would could reach a settlement that was sufficient enough given the magnitude of what was involved to justify their approval.

Q. Isn't it true that in that meeting, though, there was in fact -- it was clear that ABB directly and through Oak Point was still willing to disclose an extension -- renewal and extension of the option agreement with Britestarr Homes?

A. I think that's correct.

Q. Now, we won't characterize how much of Mr. Arthur's examination dealt with Mr. Buss, whether it was most of it or a lot of it. But he did ask a lot of questions about Mr. Buss and your assessment of Mr. Buss's involvement on various issues, correct?

8:17:33 A. Yes, sir.

18:17:34 Q. Do you have any indication that Mr. Buss ever
18:17:38 approved or authorized a single payment out of the escrow
18:17:46 account that was maintained at Piper Rudnick for the
18:17:49 benefit of Britestarr Homes?

18:17:51 A. I don't know that I have any factual basis to
18:17:55 answer that question, so I don't think I ever discussed
18:17:57 anything about it.

18:18:00 Q. Have you ever had -- have you ever had any
18:18:01 indication that Mr. Buss ever made a recommendation to
18:18:06 anyone that Britestarr Homes Inc. file bankruptcy?

18:18:12 A. Again, to the best of my knowledge, he never
18:18:14 mentioned it to me. I can't tell you whether or not he
18:18:17 mentioned it to anyone else.

18:18:18 Q. Alright, sir. In fact, I show you what was
18:18:24 marked in a prior deposition as Exhibit 90. You can take
18:18:32 a minute to look at that.

18:18:35 A. (Perusing.)

18:20:55 Okay.

18:20:55 Q. Mr. Beatman, this is a September 2000 letter from
18:21:02 Mr. Buss to you concerning the David Norkin bankruptcy
18:21:12 and the Britestarr Homes issues vis-a-vis the development
18:21:19 of the Oak Point Property, correct?

8:21:22 A. Yes, sir.